

LOEWS HOTELS & CO






ESTABLISHED 1960

# About Loews Corporation

Freedom to invest  
across industries;  
a patient, long-term view;  
flexibility and transparency  
under one class of stock



- \$16.1 Billion Market Cap
- \$5.1 Billion Cash & Investments
- \$1.8 Billion in Debt

	Publicly Traded			Non-Publicly Traded	
					
<b>Industry</b>	Property & Casualty Insurance	Offshore Drilling	Natural Gas & NGL Midstream MLP	Deluxe and Luxury Hotels	Rigid Plastic Packaging
<b>Ticker</b>	CNA	DO	BWP	12,361 System-Wide Guest Rooms	National Footprint
<b>Market Cap</b>	\$13.6	\$2.0	\$3.8	\$147 million Adjusted EBITDA YTD*	59 Plants
<b>Loews Stake</b>	\$12.2	\$1.1	\$1.8		
<b>Ownership</b>	89%	53%	49% LP, 2% GP	100%	99%

Data as of September 30, 2017. Dollars in billions unless otherwise noted.

\* Adj. EBITDA is year-to-date as of September 30, 2017. System-wide guestrooms include rooms open as of November 27, 2017 and do not include rooms under development.

# Company Snapshot

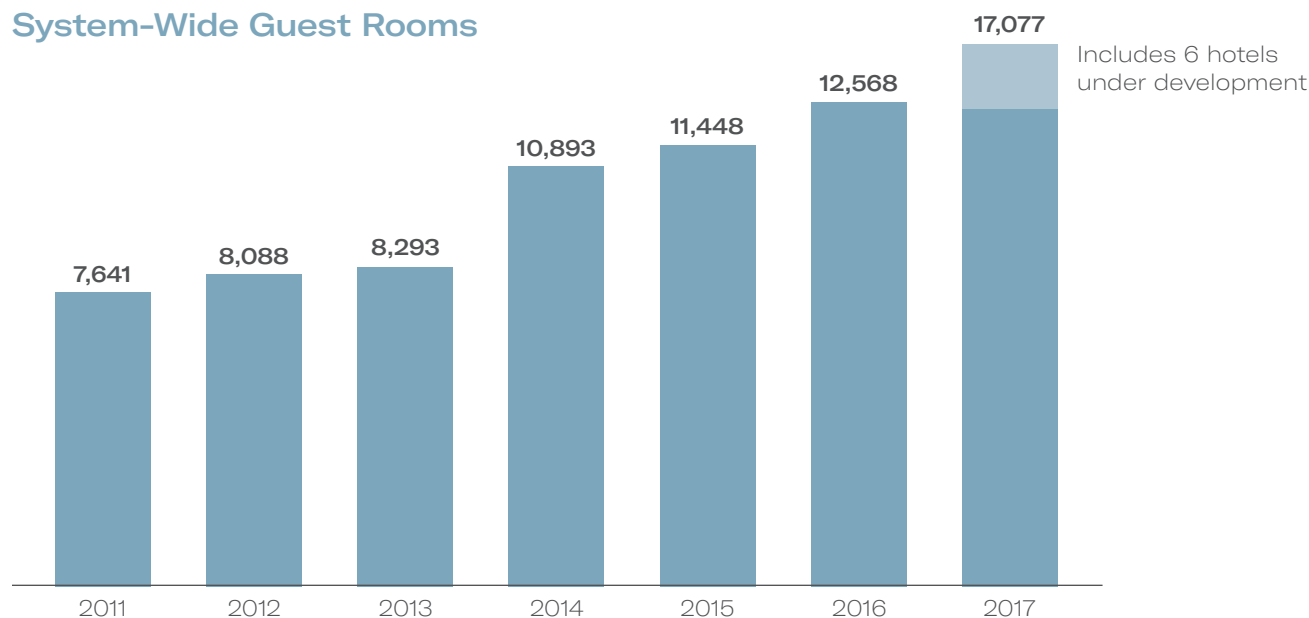
Loews Hotels & Co. **owns and/or operates** 24 hotels in the U.S. and Canada

- Own 66% of current guestroom count
- Engaging experiences to our customers that are uniquely local

## By the Numbers

System-wide guest rooms	12,361
Number of hotels	24
Plus: under development <sup>1</sup>	6

## System-Wide Guest Rooms



<sup>1</sup> As of November 27, 2017.

# Portfolio Locations

System-Wide  
Hotels



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# Company History

## 1946

Brothers Bob and Larry Tisch led their family to acquire a 300-room resort hotel in Northern New Jersey.

## 1958

The Tisch brothers started purchasing shares of Loews Inc., the parent company of MGM movie studio, and eventually acquired a controlling interest in Loews Theatres.

The Tisch Family moved to New York City, took control of Loews Theatres, and began to develop hotels on unprofitable movie theater sites.

## 1965

Loews Hotels owned and operated more than 8,000 rooms in eight hotels in Manhattan.

## 1990s

With the development of Loews Miami Beach, Philadelphia and New Orleans and three hotels at Universal Orlando, Loews Hotels focused on successful partnerships and expanding its reputation.

## 2004–2011

Loews Hotels did not actively invest in adding hotel properties to its portfolio.

## 2012

A new phase of strategic growth began for the company, adding the acquisition/development of nine new properties over the course of the past five years.

## 2017

The hospitality company was repositioned as Loews Hotels & Co. Established 1960. This celebrates the heritage and history of the Tisch family and their legacy and longevity within the hospitality industry.



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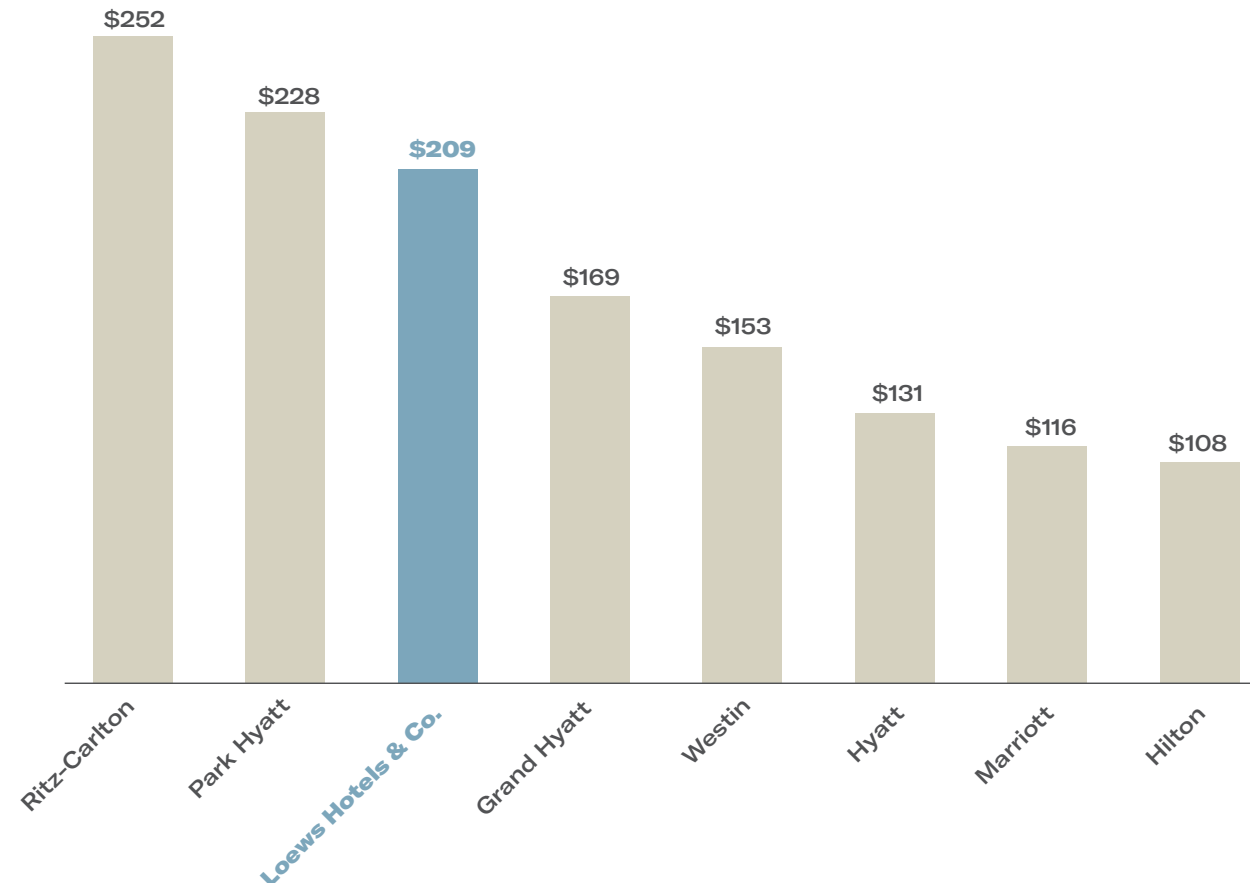
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# Portfolio Positioning

As measured by STR, Loews Hotels & Co. is positioned within the luxury segment, between upper-upscale brands—Grand Hyatt, Westin, Hyatt, Hilton and Marriott—and high-end luxury brands—Ritz-Carlton and Park Hyatt.



## Loews Hotels & Co. vs. Public Hotel Companies 2016 RevPAR Results



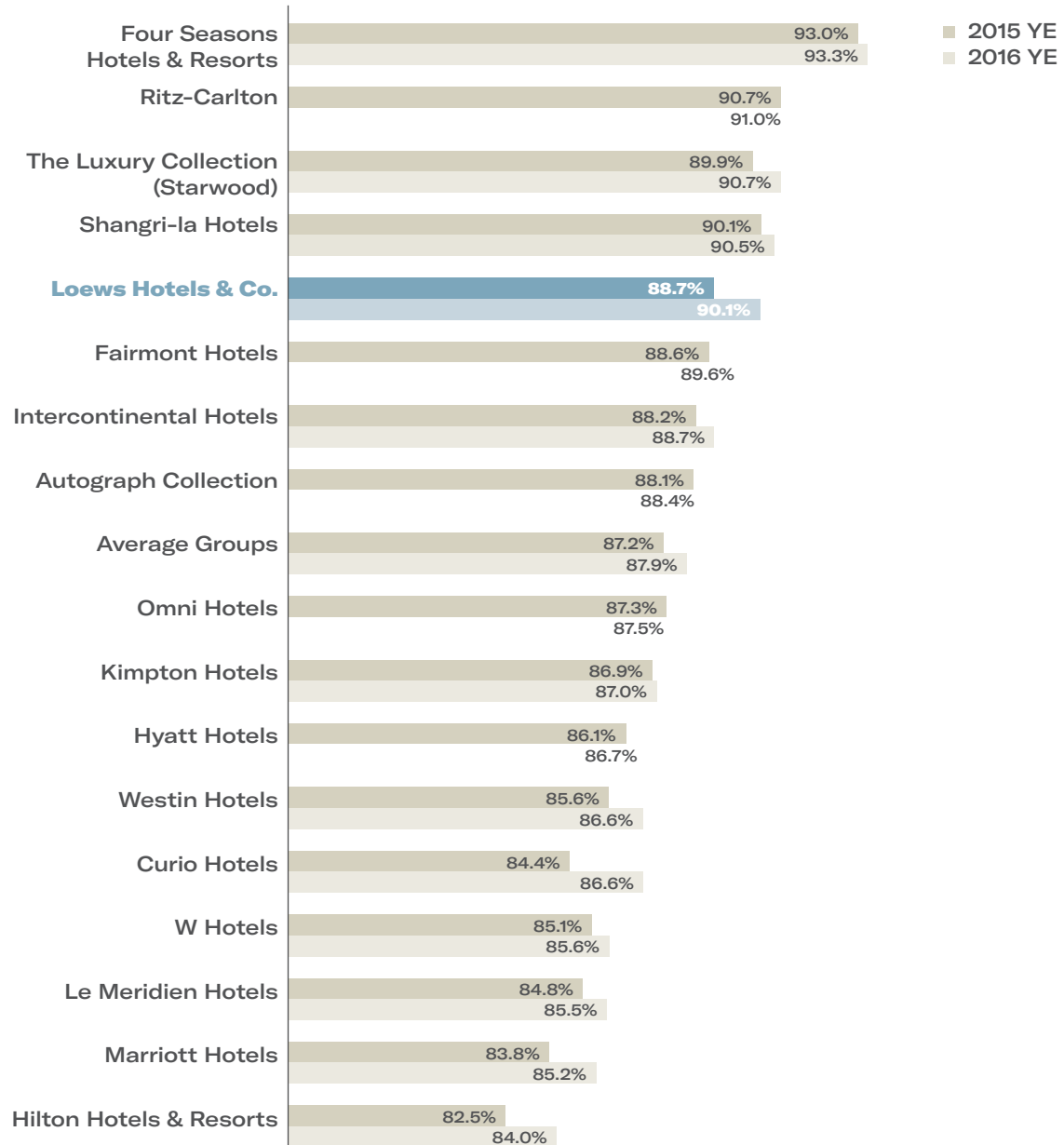
RevPAR is for comparable systemwide hotels.  
North America: Loews, Marriott  
Worldwide: Hilton, Hyatt  
RevPAR for Hilton and Marriott are in constant \$.  
Source: Company filings

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# Proven Results

## Global Review Index™ (2016)

**Loews Hotels & Co. ranks highly** amongst its peers on the industry-standard Global Review Index™ (GRI), an online reputation score based on review data collected from over 160 online travel agencies (OTAs) and review sites in more than 45 languages.



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# Cities We Partner with to Support Convention Tourism



## Loews Miami Beach Hotel

- Opened in 1998
- 790 guestrooms
- Meeting space: 65,000 sq. feet



## Loews Philadelphia Hotel

- Opened in 2000
- 581 guestrooms
- Meeting space: 47,000 sq. feet



## Loews Kansas City Hotel

- Opening in 2020
- 800 guestrooms
- Meeting space: 60,000 sq. feet

# Proven Results



## THE HUFFINGTON POST

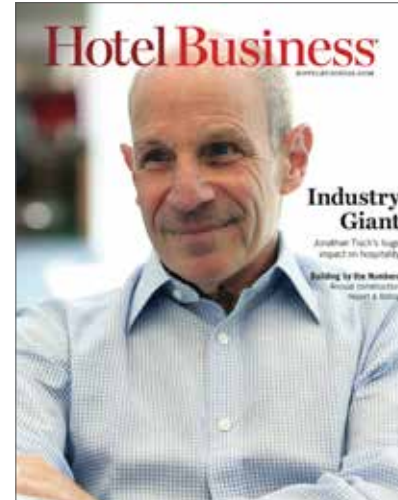
“Richard’s Picks: Best Hotels in the World, Fall 2017

I worked overtime to find a flaw with the new Hotel 1000, and failed.”



**HM** HOTEL MANAGEMENT

“Loews Hotels reaches back in order to move forward



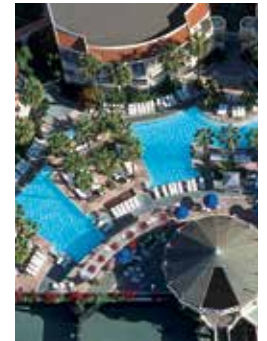
“Sapphire Falls: Universal Orlando’s Newest Hotel

The new, 1,000-room hotel has a delightful tropical vibe. Unlike the neighboring **Royal Pacific**, which takes its tropical inspiration from the South Seas, **Sapphire Falls** is themed to the Caribbean.”



“Great Lakes-Go Escape: Girlfriends

For women in need of girlfriend therapy, Chicago is exactly what the doctor ordered. Spend time at... **Streeterville Social**. Located on the third-floor roof of the **Loews Chicago Hotel**, **Streeterville Social** is Chicago’s largest outdoor rooftop terrace.”



## Parents

Best Family Vacations:  
2016 Family Fun Travel Awards  
Loews Coronado Bay Resort, San Diego won Top Family Resort

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# Senior Executive Biographies



**Jonathan M. Tisch**  
Chairman and CEO

Jonathan Tisch is chairman and CEO of Loews Hotels & Co. and co-chairman of the Board and Member of the Office of the President of Loews Corporation.

Tisch has led the Loews expansion and emergence as a leading hotel company with a culture that embraces the power of partnerships – with team members, guests, communities and owners. He was recently voted “Hotelier of the World” by *HOTELS* magazine.

Recognized nationally as a leader of the multi-billion dollar travel and tourism industry, Tisch founded and served as Chairman of the Travel Business Roundtable, and now serves as Chairman Emeritus of its successor organization, the United States Travel Association. Committed to a vibrant tourism industry locally, Tisch served as Chairman of NYC & Company, the city’s official tourism agency, for nearly six years. Concurrent with his national efforts to help stimulate travel in the aftermath of 9/11, Tisch served as Chairman of New York Rising, which played an instrumental role in reviving tourism and the local economy.

Tisch is the author of three bestselling books: *The Power of We: Succeeding Through Partnerships*; *Chocolates on the Pillow Aren’t Enough: Reinventing the Customer Experience*; and *Citizen You: Doing Your Part to Change the World*. He was the host of the Emmy-nominated television series, *Beyond the Boardroom*.

Tisch is a champion of civic engagement and currently serves on the Board of The Shed, New York’s new cultural center for artistic invention, as well as Vice Chair of the Board of Trustees for Tufts University, where he is the naming benefactor of the Tisch College of Civic Life. He was instrumental in bringing Super Bowl XLVIII to the region and served as co-chair of the historic 2014 NY/NJ Super Bowl Host Committee. He is a co-owner of the 2007 and 2011 Super Bowl Champions New York Giants.

**Alexander H. Tisch****Executive Vice President, Loews Hotels & Co  
Vice President, Loews Corporation**

As Executive Vice President, Alexander Tisch oversees key functions for the hotel company, including Revenue Management, Sales, Marketing, Ecommerce, Communications and Acquisitions and Development, bringing the growth strategy to fruition and expanding the portfolio. Additionally, Alex holds the role of Vice President, Loews Corporation (NYSE: L), the parent company of Loews Hotels & Co where he helps lead the Loews Strategy and Corporate Development team. Previously, Alex worked at Credit Suisse arranging leveraged buyout financings and doing merger and acquisition advisory. Prior to Credit Suisse, he spent time in both the hedge fund industry and at the National Basketball Association handling business development.

**John Cottrill****Chief Operating Officer**

John Cottrill is Chief Operating Officer for Loews Hotels & Co. He joined in 2012 and oversees the day-to-day operations of all Loews properties. Prior to Loews, Cottrill served as Executive Vice President of Operations at Brooks Brothers, where he developed a hospitality atmosphere within the traditional retail environment. Cottrill began his career in 1978 with Hyatt Hotels before moving to The Ritz-Carlton Hotel Company, beginning a nearly 20 year career, holding several different leadership operation focused roles on a property, regional and corporate level.

**Matthew Brenner****Chief Financial Officer**

Matthew Brenner is the Chief Financial Officer for Loews Hotels & Co. He joined in 2014 and is responsible for finance and accounting, IT, strategy, planning, risk management and the shared services center in Nashville. Prior to Loews, Brenner spent 13 years at PricewaterhouseCoopers' investment management and real estate practices, where he performed audits of public and private REITs, investment advisors, real estate investment funds and other investment companies. He was also part of PwC's National Office in the Accounting Services and SEC Services Groups.

**Elizabeth Norberg****Chief Human Resources Officer, Executive Vice President**

Elizabeth Norberg is the Chief Human Resources Officer, Executive Vice President for Loews Hotels & Co. She joined in 2017, bringing a vast knowledge and experience in overseeing all aspects of the company's human resources and people strategy. Prior to Loews, Norberg served as EVP and Chief Human Resources Officer for Red Lion Hotels. She has held leadership roles, within HR, for Dolce Hotels & Resorts and Starwood Hotels & Resorts, having worked at the local, regional and corporate levels. Norberg also spent time outside the industry, at Northwell Health, the largest private employer in New York.

**Constantine "Costa" Dimas****Chief Business Officer, Senior Vice President, Loews Hotels & Co**

Costa Dimas oversees new hotel and business development for Loews Hotels & Co, most recently announcing hotels in Toronto, Kansas City, St. Louis, MO and Arlington, TX. Over the course of the last decade, Dimas held previous roles in Asset Management & Owner Relations, Food & Beverage and Operations for Loews Hotels & Co. In each role he drew upon his diverse background as an entrepreneur, operations leader and executive level strategist to deliver both cash and brand value to Loews and its partners. In addition to having owned hospitality-related businesses, Dimas served as Deputy Chief of Staff to U.S. Senator Charles E. Schumer (D-NY), where he worked on a range of issues including power deregulation, economic development and the launching of New York State based businesses.

**Monica Xuereb****Chief Revenue Officer**

Monica Xuereb is Chief Revenue Officer for Loews Hotels & Co. She joined in 2013 and is responsible for guiding and supporting all revenue processes, including leading the strategy for generating more efficient, predictable and profitable revenue. Xuereb joined Loews after running her own consultancy, providing assistance with revenue management, pricing and distribution strategies to independent hoteliers and small hotel groups. Xuereb previously spent 17 years with The Ritz-Carlton Hotel Company and Marriott International, where she held several senior revenue management roles.

# Loews Kansas City Hotel Project Overview

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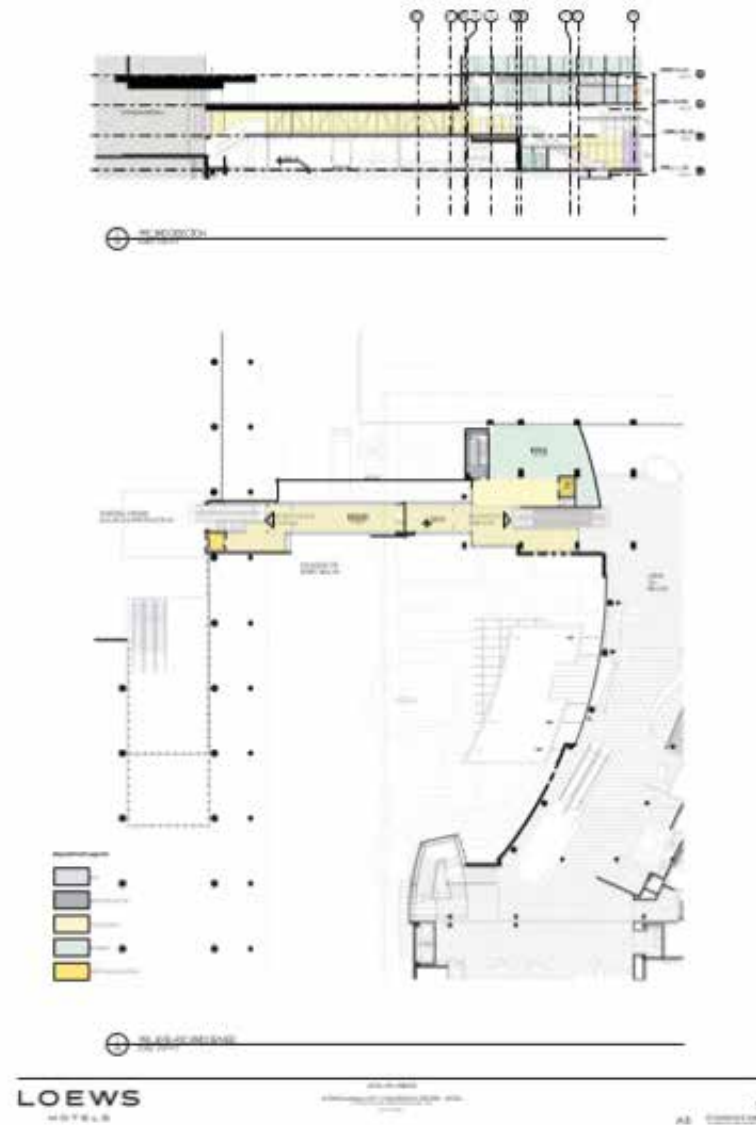
# Program – Construction

- 800 guest rooms
- Approximately 60,786 square feet of meeting space \*(excluding Pre-function and support spaces)
- Approximately 20,288 square feet of retail, restaurant, bar and lounge areas. This includes a 6,000 sf 3rd Party Restaurant buildout
- Approximately 10,465 square feet of recreational facilities and related on-site improvements
- A parking structure accommodating approximately 469 spaces





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# Timeline – Construction



# Financing Overview – Sources & Uses

Net Financing Proceeds

Sources			Per key	Uses		%	Per key
Developer Underwritten Net Proceeds	Equity	59,658	75	Construction Cost + Land	299,612	92.9%	375
				Working Capital	1,500	0.5%	2
	First Mortgage	110,000	138	Private Loan Debt Service Reserve	3,163	1.0%	4
	Series A	35,940	45	Pre-Paid Construction Period Int.	4,900	1.5%	6
	Series B	43,060	54	Financing Fees & Legal	5,723	1.7%	7
	NBH Loan	32,000	40	Pre-Opening Cost	7,760	2.4%	10
	City Cash	35,000	44				
	City Land Contribution	7,000	9				
	<b>TOTAL</b>	<b>322,658</b>	<b>403</b>	<b>TOTAL</b>	<b>322,658</b>	<b>100%</b>	<b>403</b>

\* Note minor adjustments due to rounding

# Financing Term Sheet



## Loews Kansas City Summary of Terms and Conditions \$110,000,000 Credit Facility September 22, 2017

*This Summary of Terms and Conditions is not intended to be and should not be construed as an offer, a commitment, nor agreement to lend, nor should it be construed as an attempt to establish all of the terms and conditions relating to the Loan. It is intended only to be indicative of certain terms and conditions around which credit approval may be sought, and if approved, how the loan documents might be structured, and shall not preclude negotiations within the general scope of these terms and conditions. No person or entity shall have any obligation to commence or thereafter continue any negotiations to enter into any definitive, binding agreement with respect to the Loan, and no person or entity should rely on an eventual formation of any agreement. Any party may freely enter into negotiations with any other person or entity, and nothing herein shall preclude any party from entering into a binding agreement with any other person or entity. The foregoing shall apply to this Summary of Terms and Conditions, as well as to any prior and subsequent communications between the Borrower and Agent with respect to the Loan, and only a definitive, written agreement, executed by both Borrower and Agent, shall be binding on Borrower and Agent with respect to the Loan.*

<b>Property:</b>	Proposed Loews Kansas City (the "Property").
<b>Guarantor:</b>	Loews Hotels Holding Corporation ("LHHC", or "Guarantor").
<b>Borrower:</b>	KC Hotel Property Owner, LLC, a newly formed single purpose, bankruptcy remote limited liability company (the "Borrower"), 65% of which is owned by an affiliate LHHC and 35% of which is owned by an affiliate of KC Hotel Group, LLC. Borrower's sole asset shall be the Property (and all other property related or ancillary thereto).
<b>Administrative Agent:</b>	Wells Fargo Bank, N.A. ("Agent"). Wells Fargo Bank, National Association, in its capacity as a Lender, shall be referred to herein as "WFB".
<b>Sole Bookrunner:</b>	Wells Fargo Securities, LLC ("WFS", "Arranger" or "Lead Arranger").
<b>Lenders:</b>	A group of financial institutions, including WFB and Scotia Bank NA, (collectively, the "Lenders").
<b>Loan Amount:</b>	The facility amount ("Loan") shall be the lesser of: <ol style="list-style-type: none"> <li>\$110,000,000;</li> <li>Maximum 35% of the total cost to develop the Property ("Project Budget");</li> <li>55% of the "as-if stabilized" appraised value as determined by a third party, FIRREA compliant appraisal ("Appraisal"); or</li> <li>An amount that would produce a minimum DSCR of 1.20x based on the "as-if stabilized" Appraisal Net Operating Income. Appraisal Net Operating Income shall include all of the following revenue to the extent received by Borrower: TIF revenue not used to pay down t Series B Bonds, CID sales tax reimbursements and the fixed fee payments under the catering agreement (collectively, the "Additional Revenue Streams") and shall be defined as Adjusted NOI (as defined below) as forecasted for the calendar year 2023.</li> </ol>
<b>Loan Funding:</b>	The Loan will be disbursed in accordance with the Project Budget.
<b>Unused Fee:</b>	Commencing upon Loan Closing and terminating upon the first Loan draw, 0.375% p of the Loan, payable on a monthly basis.
<b>Security:</b>	The Loan will be secured by (i) a first priority leasehold mortgage (and, if permitted the Authority, a fee mortgage) on the Property and all improvements thereon, and (i such other collateral as may be specified in the Loan documents.

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